

BEDDING LIQUIDATORS SLEEP SHOPS

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Bonsai Japanese Steakhouse	7D
Bowling Inc. Lanes	5D
Central Mississippi	
Amusement	3C
Charter Hospital	3B
Classified & Legal	6-18C
Connie Miller	4C
Cowboy Maloney Electric City	
Appliance, Audio, Video	
Superstore	4, 13A
Craftmen's Guild of	
Mississippi	4D
D & D Produce	2B
Danny's	4C
DeVile Cinema	5D
DeLard's	10, 16A
Doors of Distinction	11A
Earth Traders	8B
Edwin Watts Golf Shop	3C
Ethan Allen	15A
Fashion Mart	7D
Fine Designs Sofa Gallery	11A
Gayfers	3A
Golden Dragon	4D
Greenbrook Flowers	2B
Gridley's	4D
Haverty's Fine Furniture	5A
Houcks Young Fashions	7D
Hutto's Home and Garden	2B
Ideal Fabrics	10A
Irby Lighting	7A
Jackson Generals	5A
J.M. Fly	7A
Joan Head	4C
Lake Harbour Marine	4C
Lakeland Skating Center	5D
Larwill Lanes	5D
Laurel Yamaha	4C
La-Z-Boy Furniture Galleries	6A
Leadco Construction	3B
Lucas Tire	7D
Manjus Inc.	8B
Mattress World	15A
McRae's	2A
Meadowbrook Cinema	5D
Metrocenter Cinema	5D
Miles Carpet & Furniture	8D
Millsaps College	8B
Miskelly Furniture Co	8, 9A
Mississippi Valley Gas Co.	8B
Mississippi Bar Association	3B
Northpark Cinema	5D
Parkway Place Theatre	5D
Penguins of Deville	5A
Rainbow Casino	4D
Rapids	4D
Rhodes Furniture	13A
Safety Guard	11A
Secrets Cabaret	4C
Service Directory	7C
Sewing Machine	12A
Snooky's 4-H Western Store	4C
Sollberger's Watch & Clock	4C
Southern Breeze Gallery	3B
Southside Christian	2D
Splash Casino	3C
Sportique	3C
Stein Mart	6, 10, 15A
The Rose Tree	7A
Thomastown Furniture	
& Gifts	10A
Tiffany's Cabaret	4C
Unclaimed Freight	7A
Unclaimed Furniture	12A
Vieux Carre	3B
Vina Steel	3B
Walking Generation	7A
Weight Watchers	15A
Wright Family Furniture	6A

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USA TODAY

FOR HOME DELIVERY,
SERVICE, BILLING

Numerous international attempts to end the bloodshed have failed, and there is no firm date for resuming the latest talks on an overall settlement.

troops delayed him at a checkpoint when he tried to speed an armored personnel carrier to the ambush site about 13 miles northwest of Kigali,

The United Nations and aid groups estimate that about 200,000 have been slain since the war broke out April 6 — most of them civilians.

MICROWAVES REFRIGERATORS VCR'S RANGES WASHERS DRYERS FREEZERS

SEE IT TONIGHT AT SMITH WILLS STADIUM

RCA Digital Satellite System

Have your picture taken with
The Real Nipper and Chipper
(The RCA Dogs)
Tonight from 6 pm to 7 pm
at Smith Wills Stadium



ONE LUCKY FAN WILL WIN

a RCA Digital Satellite System Saturday Night
at Smith Wills Stadium to be given away in the
8th inning of the Jackson Generals-Arkansas Travelers Game



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Chipper

Sharper Picture. Clearer Sound. Greater Choice.

- Laser disc quality picture capability™
- CD quality sound™
- Great programming choices for the whole family

System price
start at

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1 per customer

Professional installation available.

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Update on news by calling CityLine's News Updates. Get world, and even your weather forecast for the day. Call 582-CITY

PRICES ON NEW WEAR-DATED CARPET ARE VERY PREHISTORIC."

It'll take us 65 million years to get to that point. That's why Wear-Dated II™ carpet has always been a great value. Proven to resist static, soil, stains and fading, it even comes with a 24-hour guarantee — 1-800-645-8035, in case you need some decorative style, quality and durability you want, at prices straight out of prehistoric times. Get Wear-Dated II carpet.

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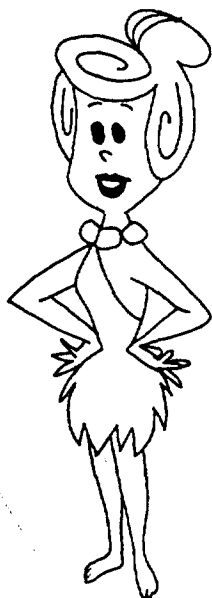
1.95 sq. yd.

Beauty

0.95 sq. yd.

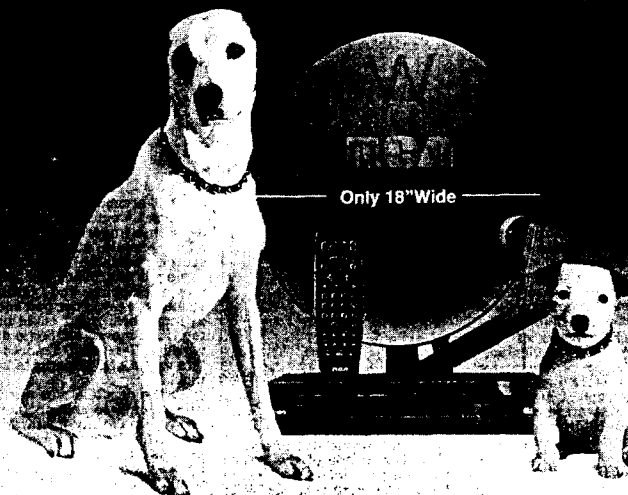
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It's here!



The incredible RCA DSS™ Digital Satellite System has arrived—and so has the future of television.

Watch for tomorrow's full page ad and RCA DSS dealer listing.

RCA
Digital Satellite System.

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DSS
DIGITAL SATELLITE SYSTEM

EXHIBIT 2

USSB Subscription Programming Information

USSB's programming line-up includes some of America's favorite networks and a variety of top-quality programming for each family member. Packages are priced to ensure a good value and flexibility for subscribers. A variety of payment options are available on all packages, allowing maximum convenience for subscribers.

USSB Entertainment Plus

\$34.95 per month:

- HBO, HBO2, HBO3, HBO West, HBO2 West
- Showtime, Showtime2, Showtime West
- Cinemax, Cinemax2, Cinemax West
- The Movie Channel, The Movie Channel West
- FLIX
- Lifetime, Nickelodeon/Nick at Nite, MTV, VH-1, Comedy Central, All News Channel

HBO Plus

\$24.95 per month:

- HBO, HBO2, HBO3, HBO West, HBO2 West
- Cinemax, Cinemax2, Cinemax West
- Lifetime, Nickelodeon/Nick at Nite, MTV, VH-1, Comedy Central, All News Channel

Showtime Plus

\$24.95 per month:

- Showtime, Showtime2, Showtime West
- The Movie Channel, The Movie Channel West
- FLIX
- Lifetime, Nickelodeon/Nick at Nite, MTV, VH-1, Comedy Central, All News Channel

HBO Package

\$10.95 per month:

- HBO, HBO2, HBO3, HBO West, HBO2 West

Showtime Package

\$10.95 per month:

- Showtime, Showtime2, Showtime West

USSB Essentials™

\$7.95 per month:

- Lifetime, Nickelodeon/Nick at Nite, MTV, VH-1, Comedy Central, All News Channel

EXHIBIT 3

Discover The RCA DSS Value

The RCA brand DSS™ Digital Satellite System provides great digital home entertainment value with DIRECTV and USSB programming.

The RCA DSS equipment receives everyone's basic cable favorites like ESPN and CNN, as well as premium channels like HBO, Showtime, and The Disney Channel.

But that's only the beginning. You'll get revolutionary choices from DIRECTV and USSB. This includes Direct Ticket™ pay-per-view movies and planned college and professional sports packages, as well as concerts, and cultural programming. And the revolutionary RCA DSS receiver is compatible with your existing antenna and your local cable service to allow you to receive local programming.

But the DSS advantage doesn't stop with quality programming. Capable of digital-quality broadcast images and dramatic CD-quality¹ sound, the RCA DSS equipment provides unsurpassed sound and picture performance. And all this is made available through a small satellite dish, measuring only 18" in diameter!

Use this handy comparison chart to assist in a line-by-line comparison with your cable programming and pricing.

As You Compare, Be Sure To Consider These DSS System Advantages!

- Does your cable system offer 150+ channels?²
- Are premium multiple channel services available?
 - 5 HBO Channels
 - 2 The Movie Channel Channels
 - 3 Cinemax Channels
 - 3 Showtime Channels • FLIX
- Does your system offer up to 40 pay-per-view channels?
- Is your cable system capable of digital-quality video and CD sound?
- Can your system deliver a 16 x 9 widescreen picture and HDTV?³
- Can you subscribe to FLIX or Encore?

¹ Quality of picture and sound are dependent upon the audio system and/or television used by consumer. Television of the requires 5.1 Audio output to realize full capabilities of DSS system.

² Total capacity scheduled for December 1993 available.

³ Additional equipment may be required.

Your Present Cable System

Basic Cable Service	\$
Cable Service	
Premium Service	
HBO (5 services available?)	
Cinemax (3 services available?)	
Showtime (3 services available?)	
The Movie Channel (2 services available?)	
FLIX	
The Disney Channel	
Encore	
Playboy	
Other	
Other Basic Services (limited availability)	(Included in Basic Cable Service fee)
Court TV	Bloomberg Direct
Sci-Fi Channel	Comedy Central
Cartoon Network	All News Channel
Turner Classic Movies	
Pay-Per-View	
Equipment Charges	
Franchise Fees	
All other Fees	
Total Cable Fees	\$
Your Monthly Video Rentals	\$
Total Combined Monthly Cost	\$

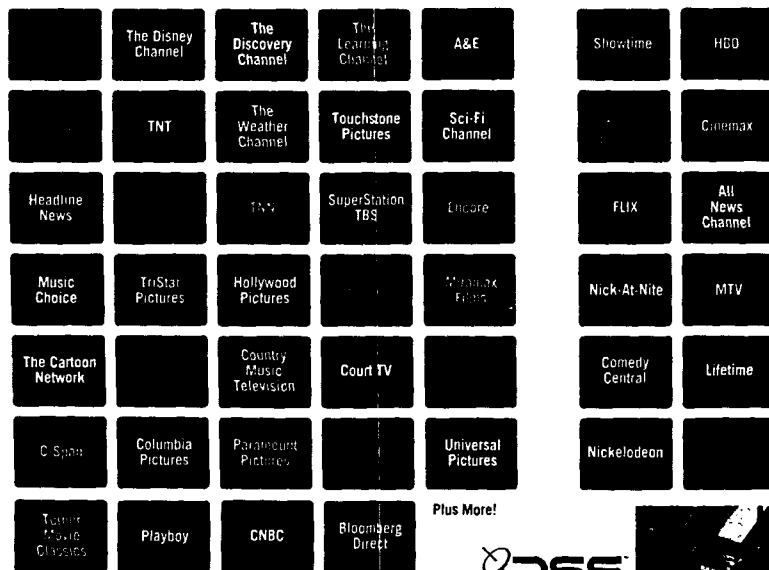
Your Programming Choices

\$	Check your local cable system	Local Channels (From your antenna? From your local cable service?)
\$21.95		"Personal Choice" ESPN, A&E, CNBC, CNN, C-SPAN, The Cartoon Network, The Discovery Channel, Country Music Television, Headline News, The Learning Channel, E! Entertainment Television, Bloomberg Direct, The Nashville Network, The Family Channel, Turner Classic Movies, TNT, SuperStation TBS, Sci-Fi Channel, Court TV, USA Network, The Weather Channel
Included (up to \$119/yr value!)		The Disney Channel
Included (\$30/yr value!) Over 30 channels offered		\$2.50/month Coupon for Direct Ticket™ Pay-Per-View (Paramount Pictures, Universal Pictures, TriStar Pictures, Columbia Pictures, Touchstone Pictures, Hollywood Pictures, Miramax Films and Warner Bros.)
Included (Premium movie service)		Encore (up to 7 theme channels)
\$3.95		Prime Time 24 (ABC, CBS, NBC...restrictions may apply)
\$4.99/night \$9.95/month		Playboy
\$34.95 (1st month FREE!)		USSB "Entertainment Plus" HBO (HBO, HBO West, HBO 2, HBO 2 West, HBO 3), Cinemax (Cinemax, Cinemax West, Cinemax 2), Showtime (Showtime, Showtime West, Showtime 2), TMC (The Movie Channel, The Movie Channel West), FLIX and "The Essentials"
\$24.95		USSB "Showtime Plus" and "The Essentials" (Showtime, Showtime West, Showtime 2, The Movie Channel, The Movie Channel West, TMC)
\$24.95		USSB "HBO Plus" and "The Essentials" (HBO, HBO West, HBO 2, HBO 2 West, HBO 3, Cinemax, Cinemax West, Cinemax 2)
\$10.95	No Basic Cable Buy Thru!	USSB Showtime (Showtime, Showtime West, Showtime 2)
\$10.95		USSB HBO (HBO, HBO West, HBO 2, HBO 2 West, HBO 3)
\$7.95		USSB "The Essentials" Lifetime, Nickelodeon, Nick-at-Nite, MTV, VH-1, Comedy Central, All News Channel
\$	Total Monthly Cost	

All information and rates are subject to change. HBO and Cinemax are registered trademarks of Time Warner Entertainment Company, L.P. Showtime, The Movie Channel and FLIX are service marks of Showtime Networks Inc. MTV, Music Television, Nickelodeon, Nick at Nite, and VH-1 are trademarks of MTV Networks. All other trademarks are the property of their respective owners.

Today's Best. Tomorrow's Classics.

The RCA DSS System offers the widest range of program choices, including your favorites.



USSB

Plus More!

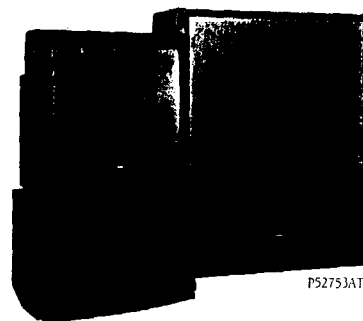
DSS
DIGITAL SATELLITE SYSTEM

The 18" dish unobtrusively receives a high-power 120-Watt digital KU band signal, and sends it to the receiver.



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When Combined
With An RCA
Home Theatre™
Television,
The DSS System Raises
Home Entertainment
Excitement
To New Levels.



F35751MB
(Base Optional)



RCA
Changing Entertainment Again!™

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The DSS™ Digital Satellite System Advantage

RCA



DSS
DIGITAL SATELLITE SYSTEM

EXHIBIT 4

ATTACHMENT A

DISTRIBUTOR	LOCATION	NUMBER OF ADVERTISER- SUPPORTED SATELLITE SERVICES	NUMBER OF PREMIUM SERVICES	TOTAL PRICE¹
Continental	Los Angeles, CA	25	7	\$67.49
Cable TV Montgomery	Montgomery County, MD	23	9	\$96.55
Cable TV Arlington	Arlington, VA	29	7	\$75.95
Cablevision of Boston	Boston, MA	37	7	\$79.80
Greater Media	Philadelphia, PA	38	6	\$75.95
Prime Cable of Chicago	Chicago, IL	32	6	\$74.00
Cablevision Systems Corp.	Greenwich, CT	25	8	\$68.25
Time Warner	New York, NY	37	8	\$80.53
Paragon	Manhattan, NY	33	5	\$87.60
McLean Hunter Cable TV	Detroit, MI	29	7	\$89.72
Adelphia Communications Corp.	Miami, FL	34	5	\$106.70
Time Warner	San Diego, CA	25	6	\$69.23

¹ Price may include cost of remote and converter.

EXHIBIT 5

DirecTv and the NRTC: Partners in Rural America

At the same time DirecTv rolls out its service in its first five markets, some 300 members of the National Rural Telecommunications Cooperative (NRTC) will roll out DSS nationally in the rural areas.

With the national rollout, initially there may be only enough equipment for showroom displays. Some local co-ops already have waiting lists, in some cases as many as 600 names, for DSS equipment.

"I think [the national rollout] is important for the NRTC and the member co-ops and indeed the customers in those areas, who've been hearing about this for a long time," said DirecTv president Eddy Hartenstein. "I think there's an interesting statistic among NRTC customers. Close to 60 percent of them come into the office once a month to pay their bill. It's an interesting phenomenon. I think to have one setup in the office is a good thing, even if you have to tell them, 'Here it is, we'll take your order and get it for you next month.' I don't think it's a very long period of time until they get up to the volumes [of product availability] they're looking for."

"We will ramp up a little more slowly in our territories," said Bob Phillips, CEO of the NRTC. "We hope to build very fast as we move into the summer and fall. We will begin to get caught up on demand; but, I'm not sure we will be able to catch up completely by year's end."

This marketing setup is the result of an agreement the NRTC made with DirecTv to market DSS in rural areas. Under this agreement, the NRTC paid DirecTv in excess of \$100 million (neither Phillips nor Hartenstein would reveal exact figures), which gives the NRTC exclusive marketing rights to represent some seven million homes.

"The NRTC represented potential to bring a huge amount of capital to the table up front," said Hartenstein. "The number of entities that can come up with \$100 million for anything are somewhat few and far between. In addition, we felt they represented a great potential asset in getting to the very rural customers. They have an infrastructure to get to that consumer."

The NRTC, however, didn't get as much territory as it wanted. Originally, the agreement called for the national co-op to pay \$250 million. However, not enough co-ops chipped in, so not all the territory available was purchased.

In the territories controlled by NRTC member co-ops, they will have access to all the customers in that area, regardless of what outlet sells the equipment or programming. "Customers can go to the lo-

cal member's location and arrange for equipment and programming there," Phillips said. "We're also working with the satellite dealers through the SMAs [sales management agents] and working through the same channels on the national [consumer electronics] dealers so they can also sell programming and equipment on behalf of the local member affiliate directly."

The affiliate will establish customer contact immediately after the sale and begin to build the relationship with the customer."

TVRO and consumer electronics dealers will still receive commissions and support for their sales, even though they are on behalf of the NRTC. "We're counting on the CE [consumer electronics] and TVRO dealers to do a good job and be out there aggressively selling and promoting the product. As they do, they can expect the [NRTC] members and affiliates will provide the commissions and support being offered nationally," said Phillips.

In addition to the two DSS models available to TVRO and consumer electronics dealers, the NRTC will have an in-between model available for its consumers. The mid-level model will feature the 18-inch DSS dish with the dual output LNB, which allows viewing on two different TV sets, and the receiver will have a data port. "We think there are some uses we have in our markets, particularly focused on data applications [such as agricultural information], where we'd like to have the availability of the data port," Phillips said. "We also believe there'll be a lot of applications for multi-unit television sets in the home."

In terms of programming offered, Phillips said, "We will be offering the Personal Choice I and II packages, and the a la carte and pay-per-view offerings DirecTv has because we are DirecTv in our areas. We'll also have some special packages like 'Best of Cable' that we'll offer in our territories."

"We're operating in this market just like in the C-band market [with Rural TV], with the members free to price however they wish in their territory," he continued. "Based on what the members and affiliates have told me, because they're out there talking to the customers every day, they're really thrilled with the lineup we have."

The Premium Channel Question

As reported in May's *TVRO Dealer*, the NRTC has filed a complaint with the Fed-

eral Communications Commission (FCC) relating to the exclusive carriage of HBO/Cinemax and Viacom feeds by United States Satellite Broadcasting (USSB). This was done even though USSB is willing to work with NRTC affiliates, including offering marketing support and commissions.

"The issue is not one of Hubbard willing to work with the cooperatives," said Phillips. "The issue is that DirecTv and NRTC have capacity on a DBS satellite and as distributors using our own system, Hubbard has done a deal with HBO and Viacom where they say Hubbard is the only source of capacity at 101 to provide HBO or Showtime. [The Cable Act says] vertically integrated programmers cannot refuse to deal and do exclusive contracts to prohibit any distributor from having access to their product on fair and equal terms."

"We'd like to have HBO and Viacom channels to position and package the way we want," he continued. "It's our right, it seems to us, under the law to be a competitor and take whatever competitive posture we wish. For Mr. Hubbard to presume he's the messiah here and can offer the only competition that's necessary is quite presumptive on his part."

As for DirecTv's position on the issue, Hartenstein said, "We're happy with the programming lineup we have. We think there will be a rulemaking by the FCC ultimately that will reflect what the true intention of the Congress is [with the Cable Act], which is to require vertically integrated cable companies to make available, at competitive prices, their programming to all program providers. That said, I'm not sure it makes a whole lot of sense for us to carry HBO at the same time USSB is carrying HBO. We kind of like our programming lineup right now."

"We're all on the same side here," continued Hartenstein. "DirecTv and USSB are trying to create an industry. To create an industry, it not only has to be priced and presented in a way that creates value, it needs to be presented to consumers in a very seamless way."

"We fully plan to, when a consumer calls in to 1-800-DIRECTV and asks for HBO, tell him about all of our programming services and packages and do our best to convince him it creates value. But, at the end of the day, if he wants ours and still wants HBO, we'll push a button and transfer him over to USSB to sign him up for HBO. USSB has indicated they will do the same thing. I can live with that, provided we make it easy for the consumer."

— Jeff Adams

EXHIBIT 6

	PROGRAMMERS	DIRECTV	USSB	PRIMESTAR
NETWORKS*	PRIMETIME 24 (ABC, CBS, NBC)	■		
	FOX & PBS	▲		
	THE WORKS (ABC, CBS, NBC, FOX, PBS)			●
PREMIUM	A&E	■		
	ALL NEWS CHANNEL		■	
	CARTOON	■		●
	CMTV	■		●
	CNBC	■		
	CNN	■		●
	CNN INTERNATIONAL	▲		
	COMEDY CENTRAL		■	
	DISCOVERY	■		●
	DISNEY	■		●
	ENCORE	■		●
	ENCORE MULTIPLEX	▲		●
	FAMILY CHANNEL	■		●
	FLIX		■	
	HBO/CINEMAX MULTIPLEX		■	●
	HEADLINE NEWS	■		●
	LIFETIME		■	
	MTV/VH-1		■	
	MUCHMUSIC	■		
	NASHVILLE	■		●
	NICKELODEON		■	
	PLAYBOY	■		
	SHOWTIME/TMC MULTIPLEX		■	
	TURNER CLASSIC MOVIES	■		●
	USA	■		●
PAY PER VIEW	COLUMBIA PICTURES	■		
	HOLLYWOOD PICTURES	■		
	MIRAMAX FILMS	■		
	PARAMOUNT PICTURES	■		
	PRIME CINEMA (3)			●
	SONY PICTURE CLASSICS	■		
	TOUCHSTONE PICTURES	■		
	TRISTAR PICTURES	■		
	TURNER MGM FILMS	■		
	UNIVERSAL PICTURES	■		
	WALT DISNEY PICTURES	■		
	WARNER BROS.	■		
	COURT TV	■		
	C-SPAN 1	■		●
SPECIAL INTEREST	E! ENTERTAINMENT	■		
	LEARNING CHANNEL	■		●
	NEWSWORLD INT'L	▲		
	PHYSICIAN'S TV NETWORK	▲		
	SCI-FI	■		
	TRAVEL	▲		
	TRIO	▲		
	WEATHER	■		●
	FREE SUPERSTATIONS		■	
SUPERSTATIONS	TBS	■		●
	TNT	■		●
	WGN			●
	WPIX			●
	ESPN/ESPN ALTERNATE	■		
SPORTS	GOLF	▲		
	PRIME NETWORKS			●
	SATELLITE SPORTS NETWORKS**			●
OTHER SERVICES	BLOOMBERG DIRECT BUSINESS NEWS	■		
	MUSIC CHOICE	▲		
	PRIME AUDIO			●
	TV ASIA	▲		
	TV JAPAN (Japanese and English)			●
	X*PRESS			●

* Available in "white" areas only.

** Includes 14 regional sports networks.

■ = DirecTv/USSB Programming on DBS-1 (subject to change).

▲ = DirecTv Programming on DBS-2 (subject to change).

● = Primestar Programming on Satcom K-1.

EXHIBIT 7

ANN BAVENDER*
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KATHRYN A. KLEIMAN
BARRY LAMBERGMAN
PATRICIA A. MAHONEY
M. VERONICA PASTOR*
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JUL 15 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

July 15, 1994

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RE: Ex Parte Presentation - MM Docket No. 92-265

Dear Mr. Caton:

You are hereby advised that on this date the attached written ex parte presentations were made in the above-referenced proceeding to the following Commission personnel:

Chairman Hundt
Commissioner Quello
Commissioner Barrett
Commissioner Chong
Commissioner Ness
William E. Kennard, Esquire
Meredith Jones, Esquire
James W. Olson, Esquire
Diane L. Hofbauer, Esquire

The presentations follow meetings held between representatives of United States Satellite Broadcasting Company, Inc. ("USSB") and the signatories of the written presentations. The presentations submitted herewith support USSB's "Opposition to Petition for Reconsideration of the National Rural Telecommunications Cooperative," submitted in MM Docket No. 92-265, on July 14, 1993. It is believed that the original of the letter from Congressman Al Swift was delivered to Chairman Hundt by Mr. Swift's office on July 8, 1994.

FLETCHER, HEALD & HILDRETH

Mr. William F. Caton
July 15, 1994
Page 2

An original and one copy of this letter and the attached presentations are being filed. If additional copies of this filing are required, USSB will supply them immediately upon request.

Should any question arise concerning this matter, or should any additional information be necessary or desired, please communicate with this office.

Very truly yours,

FLETCHER, HEALD & HILDRETH

Patricia A. Mahoney
Counsel for United States
Satellite Broadcasting
Company, Inc.

PAM:dlr

cc: Chairman Reed E. Hundt
Commissioner James H. Quello
Commissioner Andrew C. Barrett
Commissioner Rachelle B. Chong
Commissioner Susan Ness
William E. Kennard, Esquire
Meredith Jones, Esquire
James W. Olson, Esquire
Diane L. Hofbauer, Esquire

United States Senate

July 6, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

Dear Chairman Hundt:

I am aware of the letter sent to you on June 15, 1994 by several Members of Congress, addressing Section 19, the program access provision, of the Cable Act of 1992. I believe that letter fundamentally misstates the goal of Section 19, which was intended only to address exclusive practices by cable operators. Non-cable operations, such as direct broadcast satellite (DBS), are not covered by Section 19.

As the title of the Cable Act clearly indicates, that legislation specifically was designed to address the problems experienced by the public as a result of cable's practices.

A key provision of the Act is Section 19, which addresses cable programming practices. It precludes cable operators from entering into exclusive contracts with vertically integrated cable programmers in areas not served by cable. It permits exclusive contracts in areas served by cable if the FCC determines that such contracts are in the public interest. I submit, however, that a search of the entire Cable Act and its legislative history will confirm that only program contracts involving cable operators were intended to fall within the province of Section 19 and the Act as a whole.

Moreover, a fundamental purpose intended to be served by Section 19 is the promotion of technologies that can compete with cable operations. In this regard, competitive exclusivity in DBS operations is essential if a non-cable operator with a small number of channels is to be able to compete with another operator offering more, but different channels. Denying competitive exclusivity could have the perverse effect of creating a monopoly within DBS by limiting an operator's ability to grow, compete with cable, and offer unique services to the customer.

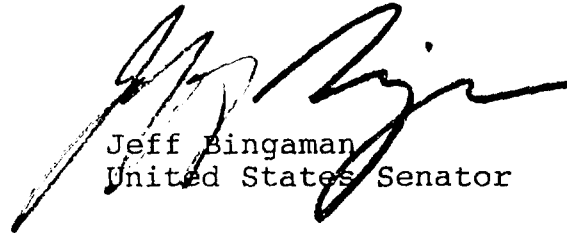
I believe the Commission's initial conclusions on programming exclusivity -- that Section 19 applies only to cable operators -- were correct, and that the rules adopted by the FCC thus properly

Page 2

implement Section 19. I understand the Attorneys General of 45 states and the District of Columbia, the U.S. Department of Justice, and Judge John Sprizzo, U.S. District Court, Southern District of New York, all agree that the Cable Act of 1992 does not prohibit exclusive contracts by DBS providers and programmers.

I appreciate your consideration of these views.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Bingaman", is written over the typed name and title.

Jeff Bingaman
United States Senator

JB/mss



Congress of the United States
House of Representatives
Washington, D.C. 20515

July 6, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

Dear Commissioner Hundt:

We are aware of the letter sent to you on June 15, 1994 by several Members of Congress, addressing Section 19, the program access provision, of the Cable Act of 1992. We believe that letter fundamentally misstates the goal of Section 19, which was intended only to address exclusive practices by cable operators. Non-cable operations, such as direct broadcast satellite (DBS) are not covered by Section 19.

As the title of the Cable Act clearly indicates, the legislation specifically was designed to address the problems suffered by the public as a result of cable's monopolistic practices. Many of our constituents complained about cable operator's abuses of their power.

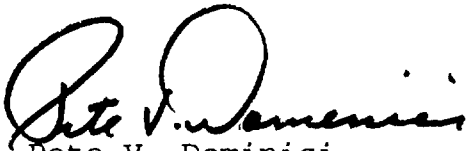
A key provision of the Act is Section 19, which addresses cable programming practices. It precludes cable operators from entering into exclusive contracts with vertically integrated cable programmers in areas not served by cable. It permits exclusive contracts in areas served by cable, if the FCC determines that such contracts are in the public interest. We submit, however, that a search of the entire Cable Act and its legislative history will confirm that only program contracts involving cable operators were intended to fall within the province of Section 19 and the Act as a whole.

Moreover, a fundamental purpose intended to be served by Section 19 is the promotion of technologies that can compete with cable operations. In this regard, competitive exclusivity in DBS operations is essential if a non-cable operator with a small number of channels is to be able to compete with another operator offering more, but different channels. Denying competitive exclusivity could have the perverse effect of creating a monopoly within DBS by limiting an operator's ability to grow, compete with cable, and offer unique services to the customer.

We believe the Commission's initial conclusions on programming exclusivity -- that Section 19 applies only to cable operators -- were correct, and the rules adopted by the FCC thus properly implement Section 19. We understand the Attorneys General of 45 states and the District of Columbia, the U.S. Department of Justice, and Judge John Sprizzo, U.S. District Court, Southern District of New York, all agree that the Cable Act of 1992 does not prohibit exclusive contracts by DBS providers and programmers.

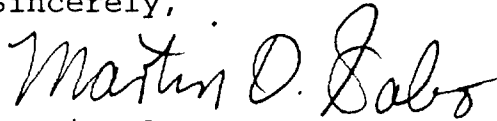
We have attached material which provides graphic illustration of the fact that the FCC's present rules will make extensive programming available to DBS customers.

We appreciate your consideration of our views.

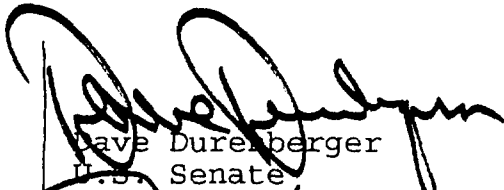


Pete V. Dominici
U.S. Senate

Sincerely,



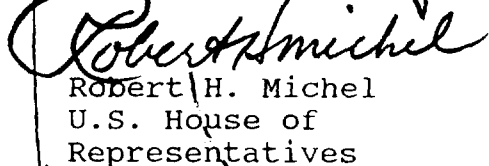
Martin Olav Sabo
U.S. House of Representatives



Dave Durenberger
U.S. Senate



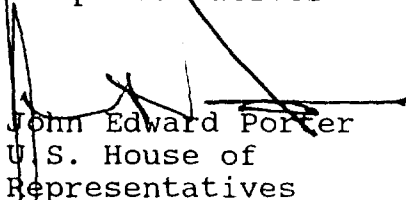
Bruce F. Vento
U.S. House of Representatives



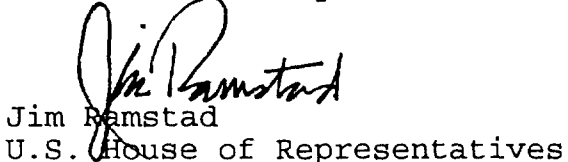
Robert H. Michel
U.S. House of
Representatives



Bill Richardson
U.S. House of Representatives



John Edward Porter
U.S. House of
Representatives



Jim Ramstad
U.S. House of Representatives

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JUL 13 1994

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Congress of the United States
House of Representatives
Washington, DC 20515-4702

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July 8, 1994

COMMITTEE ON
ENERGY AND COMMERCE

CHAIRMAN,
SUBCOMMITTEE ON TRANSPORTATION AND
HAZARDOUS MATERIALS

SUBCOMMITTEE ON ENERGY AND POWER

COMMITTEE ON
HOUSE ADMINISTRATION

CHAIRMAN,
SUBCOMMITTEE ON ELECTIONS
SUBCOMMITTEE ON ACCOUNTS

The Honorable Reed Hunt
Chairman, Federal Communications Commission
1919 M Street NW
Washington, D.C. 20554

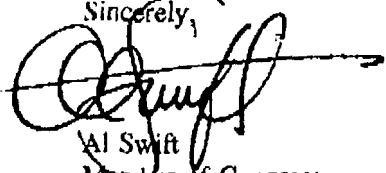
Dear Chairman Hunt:

I am writing you concerning the issue of program exclusivity as it pertains to Direct Broadcast Satellite (DBS) services. I was an active proponent of the purposes of the 1992 Cable Act, and in particular, the goal of creating viable and robust DBS services to offer competition to existing cable monopolies.

As you know --and as the Act's title clearly indicates--the legislation was specifically designed to address the problems suffered by the public as a result of monopolistic practices by certain large cable companies. Competition by DBS was intended to be part of the public's solution, never part of the problem. Therefore it is my belief that a search of the Act and the legislative history will confirm that only program contracts involving cable operators are intended to fall within the province of the 1992 Cable Act.

In that regard, I want to state my support for the Commission's conclusion in its "First Report and Order" in MM Docket No. 92.265. I believe the Commission properly construed the exclusivity provisions of Section 19 as applicable to cable operators only. And it is my understanding that the Department of Justice, and the attorneys general of 45 states also agree that there is no bar in the Cable Act of 1992 to exclusive contracts by DBS providers and programmers.

Thank you for your consideration of my views on this matter.

Sincerely,

Al Swift
Member of Congress

AS/lbk